

Exhibit No. 3Date 2-21-07Amendments to Senate Bill No. 312
1st Reading CopyBill No. SB 312

Requested by Senator Dan Weinberg

For the Senate Public Health, Welfare and Safety Committee

Prepared by Lisa Mecklenberg Jackson
February 20, 2007 (3:59pm)

1. Title, line 5.

Strike: "AND"**Following:** "AMENDING"**Strike:** "SECTION"**Insert:** "SECTIONS"

2. Title, line 6

Following: "50-5-105"**Insert:** "AND 50-5-207"**Following:** "MCA"**Insert:** "; AND PROVIDING A TERMINATION DATE"

3. Page 1, line 12.

Following: "(a)"**Insert:** "except as may be required for hospital certification,"

4. Page 1, line 14.

Following: "(b)"**Insert:** "except as may be required by medical staff bylaws,"

5. Page 1, following line 22.

Insert: "(2) Notwithstanding the prohibitions in subsection (1), a hospital may refuse to appoint a physician to the governing body of the hospital or to the position of president of the medical staff or presiding officer of a medical staff committee if the physician or a partner, associate, or employee of the physician provides medical or health care services at, has an ownership interest in, or occupies a leadership position on the medical staff of a different hospital, hospital system, or health care facility."**Renumber:** subsequent subsections

6. Page 1, line 24.

Following: "means the"**Strike:** "use" on line 24 through "privileges" on line 26**Insert:** "denial of a physician's application for staff membership or clinical privileges to practice medicine in a hospital on criteria other than the individual's training, current

competence, experience, ability, personal character, and judgment. This term does not mean use by the hospital of:

- (i) exclusive contracts with physicians;
- (ii) medical staff on-call requirements;
- (iii) adherence to a formulary approved by the medical staff; or
- (iv) other medical staff policy adopted to manage health care costs or improve quality."

7. Page 2, line 5.

Insert: "(4) For the purposes of this section, the provisions of 50-5-207 do not apply."

8. Page 2, line 25 through line 26.

Strike: subsection (5) in its entirety

9. Page 2, line 27.

Insert: "Section 3. Section 50-5-207, MCA, is amended to read:

"50-5-207. Denial, suspension, or revocation of health care facility license -- provisional license. (1) The department may deny, suspend, or revoke a health care facility license if any of the following circumstances exist:

(a) The facility fails to meet the minimum standards pertaining to it prescribed under 50-5-103.

(b) The staff is insufficient in number or unqualified by lack of training or experience.

(c) The applicant or any person managing it has been convicted of a felony and denial of a license on that basis is consistent with 37-1-203 or the applicant otherwise shows evidence of character traits inimical to the health and safety of patients or residents.

(d) The applicant does not have the financial ability to operate the facility in accordance with law or rules or standards adopted by the department.

(e) There is cruelty or indifference affecting the welfare of the patients or residents.

(f) There is misappropriation of the property or funds of a patient or resident.

(g) There is conversion of the property of a patient or resident without the patient's or resident's consent.

(h) Any provision of parts 1 through 3, except [section 1], is violated.

(2) The department may reduce a license to provisional status if as a result of an inspection it is determined that the facility has failed to comply with a provision of part 1 or 2 of this chapter or has failed to comply with a rule, license provision, or order adopted or issued pursuant to part 1 or 2.

(3) The denial, suspension, or revocation of a health care facility license is not subject to the certificate of need requirements of part 3.

(4) The department may provide in its revocation order that the revocation is in effect for up to 2 years. If this provision is appealed, it must be affirmed or reversed by the court."
{Internal References to 50-5-207: None.}"

Renumber: subsequent section

10. Page 2, following line 29.

Insert: "NEW SECTION. Section 5. {standard} Termination.
[This act] terminates June 30, 2009."

- END -